

**OSTER
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RECORDATION NO. 23200-8 FILED

March 5, 2004

MAR 5 '04 9-52 AM

SURFACE TRANSPORTATION BOARD

Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Letter Agreement dated 12/15/03 involving the following parties:

Assignee: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue
Minneapolis, MN 55402

Secured Party/Assignor: Jules and Associates, Inc.
515 So. Figueroa Street, #1950
Los Angeles, CA 90071

Debtor: Iowa Interstate Railroad, Ltd.
800 Webster Street
Iowa City, IA 52240

No equipment is involved in this transaction. Please file this agreement as a secondary document to STB Recordation #23200. The filing fee of \$30 is enclosed.

Summary: Memorandum of Letter Agreement 12/15/03 between Wells Fargo Equipment Finance, Inc., Jules and Associates, Inc. And Iowa Interstate Railroad, Ltd., a secondary document to STB Recordation #23200.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosure

MAR 5 '04

9-52 AM

MEMORANDUM OF LETTER AGREEMENT

SURFACE TRANSPORTATION BOARD

This MEMORANDUM OF LETTER AGREEMENT is made and entered into as of December 15, 2003 by and among Jules and Associates, Inc. ("Secured Party"), Iowa Interstate Railroad, Ltd. ("Iowa"), and Wells Fargo Equipment Finance, Inc. ("WFEFI").

1. Secured Party, Iowa and Heartland Rail Corporation ("Heartland") are parties to that certain Equipment Financing Agreement dated September 29, 2000, which is on file with the Surface Transportation Board bearing Recordation No. 23200 filed on October 25, 2000 at 12:08 p.m.
2. Secured Party and WFEFI are parties to that certain Assignment dated October 16, 2000, which is on file with the Surface Transportation Board bearing Recordation No. 23200-A filed on October 25, 2000 at 12:09 p.m.
3. Secured Party, Iowa and WFEFI are parties to that certain Letter Agreement dated December 15, 2003 whereby Heartland is unconditionally released from any and all obligations, liabilities, claims, suits, proceedings, restrictions, limitations, security interests, liens or encumbrances related to the Equipment Financing Agreement or any loss and damage arising from or related thereto. As a result of the foregoing release, Iowa remains solely liable for any and all obligations, liabilities, claims, suits, proceedings, restrictions, limitations, security interests, liens or encumbrances related to the Equipment Financing Agreement or any loss and damage arising from or related thereto.
4. All other statements made in the Equipment Financing Agreement and Assignment remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Letter Agreement as of the day and year first above written.

Secured Party:

Signed and acknowledged in the presence of:

[Signature]

JULES AND ASSOCIATES, INC.

By: [Signature]Title: VICE PRESIDENT

IOWA:

Signed and acknowledged in the presence of:

Linda Melosa

IOWA INTERSTATE RAILROAD, LTD.

By: [Signature]Title: TREASURER

WFEFI:

Signed and acknowledged in the presence of:

Colleen C. Nuesse

WELLS/FARGO EQUIPMENT FINANCE, INC.

By: [Signature]Title: Assistant Vice President

STATE OF California)
COUNTY OF Los Angeles) SS.

On this 18 day of February, 2004, before me personally appeared Scott Monroe to me personally known, who being duly sworn, says that he/she is the Vice President of **Jules and Associates, Inc.** and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

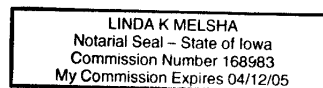
[Signature]
Notary Public
My Commission Expires: 4/13/04



STATE OF Iowa)
COUNTY OF Johnson) SS.

On this 12 day of JAN, 2004, before me personally appeared LEE J. GULLICKSON to me personally known, who being duly sworn, says that he/she is the TREASURER of **Iowa Interstate Railroad, Ltd.** and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

[Signature]
Notary Public
My Commission Expires:



STATE OF MINNESOTA)
COUNTY OF HENNEPIN) SS.

On this 3RD day of MARCH, 2004, before me personally appeared KAREN D. O'HARA to me personally known, who being duly sworn, says that he/she is the ASSISTANT VICE PRESIDENT of **Wells Fargo Equipment Finance, Inc.** and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

[Signature]
Notary Public
My Commission Expires:

